

ANZA ELECTRIC COOPERATIVE, Inc.

A Touchstone Energy[®] Cooperative 

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Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

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Dear Ms. Brown,

I am writing to urge the Surface Transportation Board to make a finding that there is a profound lack of rail-to-rail competition in the national rail system. The STB should change its policies to enable increased rail-to-rail competition.

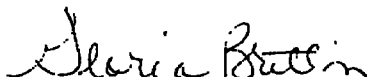
Recently, these unfair, anti-competitive practices within the railroad industry have caused a more than 100% increase in coal shipping costs to our energy supplier in Arizona. This has resulted in higher electricity costs for our membership, at a time when we can least afford it.

The nation's antitrust laws are meant to protect consumers and the general public from anticompetitive behavior, but railroads are exempted. Electric consumers suffer undeserved rate hikes when the unregulated practices of the railroad industry force utilities to "pay the price" or buy replacement fuel. Holding captive shipments of domestic coal threatens electricity reliability and increases consumer costs.

Under the current system, railroads have no incentive to provide reasonable rates *or* reliable service. Electric utilities, however, have a mission to provide reliable service and must buy foreign coal or more expensive natural gas when domestic coal shipments are inhibited.

I appreciate your consideration and timely action in this matter.

Sincerely,



Gloria Britton
General Manager